## Fiscal Estimate - 2003 Session

	Original		Updated	Corr	rected	Supple	emental		
LRB	Number	03-3866/1		Introduct	ion Number	SB-385			
Subje	ct								
	Sales tax on luxury boxes at a professional baseball stadium								
Fiscal	Effect								
	No State Fisc Indeterminate Increase E Appropriat Decrease Appropriat	e Existing Itions Existing	Increase Ex Revenues Decrease E Revenues	•	Increase Co absorb within Ye Decrease Co	n agency's bu s	possible to udget No		
	No Local Gov Indeterminate 1. Increase Permiss 2. Decrease Permiss	e Costs sive  Mandator se Costs sive  Mandator	3. Increase Rerry Permissive I 4. Decrease Rerry Permissive I	Mandatory evenue Mandatory	5.Types of Loca Government Towns Counties	Units Affected Village Others WTCS Districts	Cities Baseball park district		
Fund Sources Affected  Affected Ch. 20 Appropriations  GPR FED PRO PRS SEG SEGS 20.835 (4) (g) and (gb)									
Agenc	y/Prepared E	Зу	Autho	orized Signat	ure		Date		
DOR/ Blair Kruger (608) 266-1310 Dennis Collier (608) 266-5773						2/3/2004			

## Fiscal Estimate Narratives DOR 2/3/2004

LRB Number <b>03-3866/1</b>	Introduction Number SB-385	Estimate Type	Original						
Subject									
Sales tax on luxury boxes at a professional baseball stadium									

## **Assumptions Used in Arriving at Fiscal Estimate**

Under the bill, sales tax would be imposed on leases of luxury boxes, sky boxes and club seats at baseball parks owned, operated or leased by a professional baseball park district. The bill would apply to Miller Park only.

Under current law, sales tax is imposed on the fair market value of the admission tickets and parking included in the price of a luxury box, sky box or club seat at Miller Park. However, sales tax is not imposed on the amount of the lease exceeding the value of the tickets and parking included with the lease.

The fiscal effect of the bill is the tax imposed on the value of the lease of a luxury suite less the value of the currently-taxable tickets and parking included in the lease. According to the Milwaukee Brewers, Miller Park leases 20 Founders suites for \$100,000 per year and 52 Club suites \$85,000 per year. These luxury suite leases produce annual revenue of \$6.4 million. The lease of a suite includes 12-16 tickets and 4-5 parking spaces per game with an annual, estimated fair market value of about \$3.0 million. Thus, taxable revenue would increase about \$3.4 million (\$6.4 million - 3.0 million) under the bill.

Under the bill, sales taxes would increase by a total of about \$192,000 with state sales taxes accounting for about \$172,000 of the increase; Milwaukee County sales taxes accounting for about \$17,000; and baseball district sales taxes accounting for about \$3,000.

Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

×	Original		Updated			Corrected		Supplemental		
LRB	Number	03-3866/	1		Intro	duction Νι	ımber	SB-385		
	ax on luxury	boxes at a pro								
I. One- annual	time Costs lized fiscal e	or Revenue Ir effect):	npacts for S	State a	nd/or L	ocal Govern	ment (do n	ot include in		
II. Ann	ualized Cos	ts:				Annualized	Fiscal Imp	oact on funds from:		
						Increased Co	sts	Decreased Costs		
	e Costs by									
		- Salaries and	Fringes				\$			
<del></del>	Position Ch	<u> </u>								
		- Other Costs								
<del></del>	l Assistance									
		s or Organizat								
		Costs by Cate					\$	\$		
		Source of Fur	nds				<del>- ,</del>			
GPR										
FED	/DD0									
PRO										
	SEG-S									
III. Stat (e.g., ta	e Revenues ix increase,	- Complete t decrease in I	his only who icense fee, o	en pro ets.)	posal v			e state revenues		
Jopp	<del>-</del>		•	_	-	Increased R		Decreased Rev		
_	GPR Taxes				<u> </u>	\$192,0	00	\$		
FED	Earned	·		_						
PRO/	/DDC									
	SEG-S									
		201001110		_						
1 110	TOTAL State Revenues					\$192,0	00]	\$		
			NET ANNUA	LIZED	FISCA					
NET CE	NET CHANGE IN COSTS					<u>Sta</u>		Local		
NET CHANGE IN REVENUE				1777	¢400.0	\$	\$			
1421 01	NUTCE IIVI	LVLINOL				\$192,0	00	\$20,000		
Agency	/Prepared E	Ву		Autho	horized Signature			Date		
				nnis Collier (608) 266-5773			2/3/2004			